

POST

*** NOTICE OF PUBLIC MEETING ***

BOARD OF EXAMINERS

LOCATION: Capitol Building
The Guinn Room
101 N. Carson Street
Carson City, Nevada 89701

VIDEOCONFERENCE: Grant Sawyer State Office Building
555 E. Washington Avenue, Ste. 5100
Las Vegas, Nevada 89101

DATE AND TIME: March 11, 2014 at 10:00 am

Below is an agenda of all items to be considered. **Action will be taken on items preceded by an asterisk (*).** Items on the agenda may be taken out of the order presented, items may be combined for consideration by the public body, and items may be pulled or removed from the agenda at any time at the discretion of the Chairperson.

PENDING SAM CHANGES

FOR POSSIBLE ACTION – SAM CHANGES

The Board of Examiners approves additions and revisions to the State Administrative Manual (SAM). Interested parties that wish to provide written comment to BOE for consideration of the proposed action must submit them by mail to:

209 E Musser St
Room 200
Carson City, NV 89701

or online through <http://budget.nv.gov/Feedback/> no later than 5 working days before the proposed meeting at which the BOE will consider the approval.

- A. Department of Administration – Clerk of the Board of Examiners – 0336 Amendments to Contracts**
- B. Department of Administration – Division of Human Resource Management**
 - 1. 2542 – Position Control**
 - 2. 2544 – Legislative Approval for Changes of Positions**
 - 3. 3708 – Unemployment Compensation Assessment**
- C. Department of Administration – Budget Division**
 - 1. 2525 – Work Programs to augment an approved budget not requiring Approval of the Interim Finance Committee**
- D. Department of Administration – Deferred Compensation Program**
 - 1. 3802 – Authority**
 - 2. 3804 – Deferred Compensation Committee**
 - 3. 3806 – Deferrals of Compensation; Deductions from Payroll; Limitations**
 - 4. 3808 – Federal Requirements**
 - 5. 3810 – Program in Addition to Retirement or Pension Program**
 - 6. 3811 – FICA Alternative Plan**
 - 7. 3812 – Use of Appropriated Money Forbidden**
 - 8. 3814 – Administration**

REQUEST FOR CHANGES TO THE STATE ADMINISTRATIVE MANUAL (SAM)

A.

Agency Code: 080

Department: Administration

Division (if applicable): Budget

Appointing authority: Jeff Mohlenkamp

Agency contact: Carla Watson, 684-0214, clwatson@admin.nv.gov

Proposed BOE date: 3/11/14

1. Reason/purpose for requested change:

SAM 0336 - Update the dollar amount of a contract amendment required to be submitted to the Board of Examiners for approval to be consistent with original contract limits.

2. Existing and recommended language in SAM (***bold italics*** is new language being proposed and ~~strikethrough~~ is deleted language being proposed).
3. Proposed effective date:

Upon approval

0336 Amendments to Contracts

All contracts requiring Board of Examiners' review may be amended if such an amendment is deemed to be in the best interest of the State. Amendments include, but are not limited to, additional money or time required to complete the scope of work of the of the contract, any change in the basis of payment for the contract or any substantive change to the scope of work which would affect the anticipated results of the contract.

Except for those contracts waived under [SAM 0326](#), all amendments to contracts require Board review and approval. Such review may determine that it is in the best interest of the State to have a new contract with another contractor rather than amend the contract with the current contractor. The Clerk or his designee may, on behalf of the Board, approve amendments that which extend the time of the contract with no additional money and amendments that increase the contract by less than ~~\$10,000~~ **\$50,000**. Amendments increasing the total amount of the contract above \$50,000 will need to be submitted to the Board of Examiners. The Clerk may also approve contract amendments that change the scope of work if such a change is deemed to not adversely affect the State's interest.

All amendments must include language that clearly identifies the applicable change/revision; i.e., amount of monetary increase and new maximum amount, change of effective/termination date from 00/00/00 to 00/00/00, etc.

Amendments should be submitted in the following format: one copy of the amendment with a copy of the original contract, complete with any prior amendments to the contract and all attachments (e.g. the State's solicitation, contractor's response, etc.) attached as Exhibit A. All remaining copies of the amendment should be submitted with a copy of the original contract and any prior amendments attached as Exhibit A.

Three copies of the amendment must be submitted for Board of Examiners' approval. Each copy must have the original signatures of the Attorney General or representative, the responsible agency representative and the contractor. Contract distribution is as follows: One copy for the Fiscal Analysis Division of the Legislative Counsel Bureau; one copy to be returned to the agency; and one copy for the independent contractor.

A Contract Summary Form must accompany ~~all~~ *each copy of the* contract amendments submitted for review and approval.

B.

Agency Code: 070

Department: Administration

Division (if applicable): Human Resource Management

Appointing authority: Lee-Ann Easton

Agency contact: Shelley Blotter, 684-0105, sblotter@admin.nv.gov

Budget Analyst: Julie Strandberg

Proposed BOE date: 3/11/14

1. Reason/purpose for requested change:

The purposes are to correct references to the “Department” of Human Resource Management to the “Division” of Human Resource Management and correct the listing of occupational groups.

2. Existing and recommended language in SAM (***bold italics*** is new language being proposed and ~~strikethrough~~ is deleted language being proposed).

2542 Position Control

1. The Budget Division is responsible for updating the ~~Department~~***Division*** of Human Resource Management Integrated Financial System for Human Resources by entering any legislative approved new positions or reclassifications or other changes on an ongoing basis as the changes occur. The ~~Department~~***Division*** of Human Resource Management shall not honor a request nor approve the payroll for an unauthorized position. Establishment of a position and issuance of a position control number by the Budget Division does not determine the classification of the position. This is the responsibility of the ~~Department~~***Division*** of Human Resource Management and requests for establishment or change of classification should be directed to the ~~Department~~***Division*** of Human Resource Management. When contacting either the ~~Department~~***Division*** of Human Resource Management or the Budget Division concerning an existing position, identify the position by number and budget account.
2. The ~~Department~~***Division*** of Human Resource Management, through [Nevada Administrative Code 284.126](#), requires that:
 - a. If an agency makes or anticipates making a significant change in the duties for a position or the agency anticipates a reorganization that will require the reclassification of an existing position, the reallocation of an existing class or the creation of a new class, it shall advise the Budget Division. The proposed change may not be required of an employee nor be submitted to the ~~Department~~***Division*** of Human Resource Management until funding for it is approved. If the ~~Department~~***Division*** of Human Resource Management approves the change, the

Budget Division will determine the effective date if the change does not require a new class or reallocation of an existing class.

- b. When advising the Budget Division of requests for reclassification, reallocations, establishment of new classes or new positions, the following information must be included where applicable:
 - i. The new responsibilities added to existing organization mission/purpose and assigned to the position and how the organization is benefited;
 - ii. The responsibilities reassigned/changed with no substantial change in overall organization mission/purpose;
 - iii. The identity of all other positions affected by this reassignment, change or new position;
 - iv. The cost associated with the reassignment, change or new position;
 - v. The source of funding for additional cost, both in the current biennium and in future biennium's;
 - vi. The reasons for requesting a specific effective date and funding available on that specific date.
3. A new class, or reallocation of a class or class series based on an occupational study conducted by the ~~Department~~ **Division** of Human Resource Management, becomes effective when the funding is provided by the Legislature in the biennial operating budget that are impacted by the changes.

2544 Legislative Approval for Changes of Positions

A State agency, other than the Nevada System of Higher Education and occupational licensing boards, may not change a position for which money has been appropriated or authorized from one occupational class to another, as defined by the index developed pursuant to [NRS 284.171](#), without the approval of the Legislature or of the Interim Finance Committee.

The occupational class index consists of occupations in the fields of:

OCCUPATIONAL GROUPS

- 1.000 Agriculture and Conservation
- 2.000 Clerical and Related Services
- 3.000 Domestic Services
- 4.000 Library and Archives
- 5.000 Education
- 6.000 Engineering and Allied
- 7.000 Fiscal Management and Staff Services
- ~~8.000 Occupational Group no longer used~~
- ~~8~~ **9.000** Mechanical and Constitutional Trades
- ~~9~~ **10.000** Medical, Health and Related Services
- ~~10~~ **11.000** Regulatory and Public Safety
- ~~11~~ **12.000** Social Services and Rehabilitation
- **13.000 Sworn Law Enforcement**

All proposed changes of positions from one occupational class to another must be submitted to the Interim Finance Committee upon the approval of the Governor, or his designee, the Budget Director. The Interim Finance Committee has 45 days after a proposal is submitted to its secretary within which to consider it. Any proposed change, which is not considered within the 45-day period, shall be deemed approved.

3708 Unemployment Compensation Assessment

~~State law provides that State agencies may reimburse the Unemployment Compensation Fund for all benefits paid on behalf of the State for former employees in lieu of making quarterly contributions. The State has chosen the reimbursement method.~~

~~In order to provide enough money to reimburse the Unemployment Compensation Fund, each agency will be assessed a percentage of projected gross salaries each year.~~

~~The Department *Division* of Human Resource Management will collect the assessment for all agencies paid by Central Payroll. The assessment rate is .0015 *.0011* of projected gross salaries effective January 1, 2006, *for calendar year 2014* and .0018 *.0013* of projected gross salaries effective January 1, 2007 *for calendar year 2015*. Rates are subject to change on the basis of funding levels.~~

C.

Agency Code: 080

Department: Administration

Division (if applicable): Budget Division

Appointing authority: Jeff Mohlenkamp

Agency contact: Jim Rodriguez. 684-0211 rodriguez@admin.nv.gov

Proposed BOE date: 3/11/14

1. Reason/purpose for requested change:

SAM 2525 - Update the dollar amount of associated with the agency's authority to receive grants and gifts without requiring IFC approval in accordance with NRS 353.335.

2. Existing and recommended language in SAM (*blue bold italics* is new language being proposed and ~~red strikethrough~~ is deleted language being proposed).
3. Explain how the recommended change(s) will benefit agencies or create consistencies or efficiencies, etc. (provide examples if applicable):

This clarification makes the submittal of work program requesting authority to receive gifts and grants consistent with revised Nevada statutes (NRS 353.335).

4. Will recommended change have a fiscal impact (if yes, explain): NO
5. Proposed effective date: Upon approval of the Board of Examiners

~~2525 Work Programs to Augment an Approved Budget Not Requiring Approval of the Interim Finance Committee Authority to Accept Gifts and Grants Not Requiring Interim Finance Approval, or by Expeditious Action~~ (Note: Title changed to reflect topic of discussion specific to the acceptance of gifts or grants. If this section was intended to address all Work Programs conditions not requiring IFC approval then this section must be expanded to address that wider scope of action)

The general provisions of ~~General Provisions~~ (NRS 353.335) provide that ~~A State~~ a state agency may accept, with the approval of the Governor or his delegate the Budget Director, any gift or grant of property or services from any source ~~ONLY~~ if the gift or grant was already included in the agency's legislatively approved budget or authorized by any other act of the Legislature authorizing the receipt and/or expenditure.÷

NRS 353.335 also provides the authority for agencies, with the approval of the Governor or his delegate, to accept gifts and grants outside the legislative or Interim Finance approval process under the following conditions:

- ~~1. It is included in the Executive Budget and approved by the Legislature;~~
- ~~12. The gift or non-governmental grant does not exceed \$10,000 \$20,000 in value;~~
- ~~23. The government grant does not exceed \$100,000 \$150,000 in value and does not involve the hiring of new employees. Any grant associated with the hiring of new employees would require Interim Finance approval, regardless of the amount and source of the grant; and~~
- ~~4. The gifts or grants do not involve the hiring of new employees;.~~
- 3. The gift or grant is necessary because of an emergency as defined in NRS 353.263 or for the protection or preservation of life or property. Acceptance of the gift or grant under this condition requires reporting the action to Interim Finance as an information item indicating the acceptance and reason for the "emergency" action taken. These types of work programs rarely occur due to their nature, and require the advance approval of the Director of Administration and/or the Deputy Budget Director; or*
- 4. The gift or grant would be forfeited if the State failed to accept it before Interim Finance Committee can take action on the request (45 days from the time of submittal to the committee secretary as provided in NRS 353.335(c).) Under this condition the Governor can submit an expeditious request to the Interim Finance committee to approve the acceptance of the grant. Any proposed acceptance, which is not considered within the 15-day period, shall be deemed approved.*

This chapter does not apply to:

- 1. The Department of Health and Human Services while acting as the state health planning and development agency pursuant to paragraph (d) of subsection 2 of NRS 439A.081; or*
- 2. The Nevada System of Higher Education; or*
- 3. For donations, gifts or grants to be disbursed pursuant to NRS 433.395 or 435.490; or*
- 4. For artifacts donated to the Department of Tourism and Cultural Affairs.*

~~**Emergency Provisions**—A State agency with the approval of the Governor or his delegate, the Budget Director, may accept any gift or governmental grant if:~~

- ~~1. The gift or grant is necessary for the protection or preservation of life or property; the Governor shall accept it and report the action and his reasons for determining that immediate action was necessary to the Interim Finance Committee; or~~
- ~~2. The Governor determines the gift or grant would be forfeited if the State failed to accept it within a 45-day period; the Governor may declare that the proposed acceptance requires expeditious action by the Interim Finance Committee. The Committee then has 15 days after receipt of the proposal by the Secretary of the Committee within which to approve or deny the acceptance.~~

D.

Agency Code: 920

Department: Administration

Division (if applicable): Nevada Public Employees' Deferred Compensation Program

Appointing authority: Chairman, Nevada Public Employees' Deferred Compensation Committee

Agency contact: Robert R. Boehmer, 684-3397, rboehmer@defcomp.nv.gov

Budget Analyst: Eric King

Proposed BOE date: 3/11/14

1. Reason/purpose for requested change:

To bring the State Administrative Manual in line with changes made in the Nevada Administrative Code (NAC).

2. Existing and recommended language in SAM (*blue bold italics* is new language being proposed and ~~red-strikethrough~~ is deleted language being proposed).

3. Explain how the recommended change(s) will benefit agencies or create consistencies or efficiencies, etc. (provide examples if applicable):

The changes will correct inconsistencies that we previously had between Nevada Administrative Code (NAC), Nevada Revised Statute (NRS), State Administrative Manual (SAM), and to bring in-line with changes already made to NAC.

4. Will recommended change have a fiscal impact (if yes, explain):

No

5. Proposed effective date:

Upon BOE Approval

3800 DEFERRED COMPENSATION

3802 Authority

The State of Nevada and the Board of Regents of the Nevada System of Higher Education are authorized by law to agree with any of their employees to defer compensation due to them in accordance with the program authorized by 26 U.S.C 401(a), 401(k), 403(b) or 457 and approved by the Deferred Compensation Committee.

The Board of Regents can agree with any of its employees to defer compensation authorized by 26 U.S.C. 403(b) without Committee approval. According to the plan, the employer shall withhold the amount of compensation that an employee has directed the employer to defer.

The employer may invest the withheld money in any investment approved by the Committee on Deferred Compensation.

All compensation amounts deferred pursuant to the program, all property and rights purchased with those amounts and all income attributable to those amounts remain solely the property or rights of the State of Nevada or the Nevada System of Higher Education, subject only to the claims of general creditors, until made available to the participants in the program or their beneficiaries. (NRS 287.320)

3804 Deferred Compensation Committee

The Governor is authorized to appoint a committee to administer the Deferred Compensation Program. The committee's responsibilities include:

1. Creation of an appropriate fund for administration of money and other assets resulting from compensation deferred under the program;
2. With the approval of the Governor, delegation to one or more State agencies or institutions of the Nevada System of Higher Education, the responsibility for administering the program for their respective employees including:
 - a. Collection of deferred compensation;
 - b. Transmittal of money collected to depositories within the State designated by the Committee;
 - c. Payment of deferred compensation to participating employees;
3. Contracting with a private person, incorporation, institution or other entity directly or through a State agency or institution of the Nevada System of Higher Education, for services necessary to the administration of the plan including without limitation:
 - a. Consolidated billing;
 - b. The keeping of records for each participating employee in the program;
 - c. The purchase, control and safeguarding of assets;
 - d. Programs for communication with employees; and
 - e. Administration coordination for the program.

The Committee and individual members are not liable for any decision relating to investments if the Committee has:

1. Obtained the advice of qualified counsel in investments;

2. Established proper objectives and policies relating to investments; and
3. Discharged its duties regarding the decision:
 - a. Solely in the interest of the participants in the program; and
 - b. With the care, skill, prudence and diligence test that, under the circumstances existing at the time of the decision, a prudent person who is familiar with similar investments would use while acting in a similar capacity in conducting an enterprise of similar character and purpose.
4. Selected at least ~~two~~ *one Record Keeper that will provide record keeping services for the program* ~~plans from separate and distinct providers from which the participants in the program may choose.~~
5. Solicited proposals from qualified ~~providers of plans in~~ *Record Keepers* at least once every five years.

3806 Deferrals of Compensation; Deductions from Payroll; Limitations

Compensation may be withheld or deducted from payroll in accordance with the agreement between the employer and participating employee. The amount of compensation set aside by the employer under the program during any calendar year may not exceed the amount authorized by 26 U.S.C. 401(a), 401(k), 403(b) or 457.192

3808 Federal Requirements

No program becomes effective and no deferral may be made until the program meets the requirements of 26 U.S.C 401(a) and 457 for eligibility. Income deferred during a period in which no income tax is imposed by the State or political subdivision may not be taxed when paid to the employee.

3810 Program in Addition to Retirement or Pension Program

The Deferred Compensation Program must be established in addition to other retirement, pension or benefit systems established by the State or Nevada System of Higher Education and does not supersede, make inoperative, or reduce benefits provided by the Public Employees' Retirement System or by any other retirement, pension or benefit program established by law.

3811 FICA Alternative Plan

All State of Nevada employees hired after December 31, 2003 who are ineligible for participation in the Public Employees' Retirement System must participate in the plan sponsored FICA Alternative Plan. Each affected employee upon employment must select a ~~provider~~ **Record Keeper** to administer his sponsored FICA Alternative Plan *if the program contracts with more than one Record Keeper.*

All State of Nevada employees hired before January 1, 2004 who are ineligible for participation in the Public Employees' Retirement System may participate in the plan sponsored FICA Alternative Plan. Each affected employee must select a ~~provider~~ **Record Keeper** to administer his sponsored FICA Alternative Plan prior to participation *if the program contracts with more than one Record Keeper.*

3812 Use of Appropriated Money Forbidden

No State money may be spent on the administration of the program except as compensation for employees who participated in the administration as part of their regular duties, including without limitation:

1. Members and staff of the Committee; and
2. Employees of the State agency or institution of the Nevada System of Higher Education selected to administer the program.

3814 Administration

The Committee on Deferred Compensation has selected ~~contract administrators~~ **Record Keepers** for the program. Further information can be obtained from each payroll center.

Notice of this meeting was posted in the following locations:

Blasdel Building, 209 E. Musser St., Carson City, NV

Capitol Building, 101 N. Carson St., Carson City, NV

Legislative Building, 401 N. Carson St., Carson City, NV

Nevada State Library and Archives, 100 Stewart Street, Carson City, NV

Notice of this meeting was emailed for posting to the following location:

Capitol Police, Grant Sawyer State Office Building, 555 E. Washington Ave, Las Vegas, NV

Brad Carson bcarson@dps.state.nv.us

Notice of this meeting was posted on the following website:

<http://budget.nv.gov/Meetings>

Any questions regarding the agenda or supporting material for the meeting please contact Director Mohlenkamp at (775) 684-0222 or you can email us at budget@admin.nv.gov. We are pleased to make reasonable accommodations for members of the public who are disabled and would like to attend the meeting. If special arrangements for the meeting are required, please notify the Department of Administration at least one working day before the meeting at (775) 684-0222 or you can fax your request to (775) 684-0260.